

STATE OF IOWA
DEPARTMENT OF COMMERCE
UTILITIES BOARD

IN RE: INTERSTATE POWER COMPANY, PEOPLES NATURAL GAS COMPANY, DIVISION OF UTILICORP UNITED INC., IES UTILITIES INC., UNITED CITIES GAS COMPANY, and MIDAMERICAN ENERGY COMPANY	DOCKET NOS. EEP-94-40 EEP-94-41 EEP-95-1 EEP-95-2 EEP-95-3
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ORDER CONTINUING ENERGY EFFICIENCY PLANS

(Issued July 27, 2001)

Pursuant to Iowa Code § 476.6(19), rate-regulated gas and electric utilities doing business in Iowa have in effect energy efficiency plans that have been approved by the Utilities Board (Board). Those utilities and the docket numbers of their approved energy efficiency plans are identified in the caption to this order. A process has begun that will result in an assessment of potential energy and capacity savings being performed as required by Iowa Code § 476.6(19)"b." Subsequent to the assessment being completed, the gas and electric utilities will file new plans.

In meetings with the Board's staff, the utilities have raised questions regarding the life of the currently approved plans, particularly because some of the plans only contain budgets through 2001. Due to the extensive assessment required for new plans, it will be at least a year before any new plans are filed and reviewed by the

Board. The issue raised is whether the current plans terminate once there is no longer a budget for a given year.

The plans do not terminate but continue in effect until modified by a plan amendment or superceded by a new plan approved by the Board. Iowa Code § 476.16" c" provides, in part, that "[i]mplementation of board-approved plans or budgets shall be considered continuous in nature and shall be subject to investigation at any time by the board or the office of consumer advocate." The statute is clear that once a plan is approved, it continues until modified or superceded.

While it is clear the plans are to continue until modified or superceded, a question remains regarding budget levels. Unless modified or superceded, budget levels are to continue as projected for the last year for which there is a plan budget. For example, if a plan's last budget year is 2001, then expenditures for 2002 should continue pursuant to the 2001 budget, absent a plan modification or new plan being approved.

IT IS THEREFORE ORDERED:

Gas and electric utilities doing business in Iowa that are required to be rate-regulated shall continue implementation of Board-approved energy efficiency plans until those plans are modified or superceded, at budget levels as described in this order.

UTILITIES BOARD

/s/ Allan T. Thoms

/s/ Diane Munns

ATTEST:

/s/ Judi K. Cooper
Acting Executive Secretary

Dated at Des Moines, Iowa, this 27th day of July, 2001.